

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of

THE APPLICATION OF WEST KENTUCKY)	
RURAL TELEPHONE COOPERATIVE COR-)	
PORATION: (1) FOR A CERTIFICATE)	
OF CONVENIENCE AND NECESSITY)	
AUTHORIZING IT TO BORROW \$3,121,000)	
FROM THE RURAL ELECTRIFICATION)	
ADMINISTRATION AND TO ISSUE NOTES)	CASE NO. 8330
AND MORTGAGES OR OTHER SECURITY)	
INSTRUMENTS TO SECURE THE SAME;)	
(2) FOR A CERTIFICATE OF CONVEN-)	
IENCE AND NECESSITY TO CONSTRUCT)	
ADDITIONAL TELEPHONE LINES AND)	
OTHER FACILITIES)	

O R D E R

On September 8, 1981, West Kentucky Rural Telephone Cooperative Corporation, Inc., ("West Kentucky") filed with the Commission its application for authorization to borrow \$3,121,000 from the United States of America, acting through the Administrator of the Rural Electrification Administration ("REA"), to be amortized over a period of 35 years at an interest rate of 5 percent per annum and to execute the necessary notes for the proposed loan. West Kentucky further requested a certificate of public convenience and necessity for the purpose of constructing additional telephone lines and facilities, all as more specifically set out in the application and record.

On September 28, 1981, West Kentucky filed an amended application deleting its request for a certificate of convenience

and necessity authorizing the proposed construction, stating that the funds it proposed to borrow would be less than 10 percent of its value of plant in service. The Commission determined that the total funds to be borrowed exceeded 10 percent of West Kentucky's plant and denied the request to amend the application by Order dated October 16, 1981.

West Kentucky proposed to use the loan funds for the following purposes:

- (a) Add 2,076 new subscribers;
- (b) Expend \$200,000 to complete unfinished prior loan proposals;
- (c) Provide for related system improvements; and
- (d) Provide for engineering fees.

A hearing was held on November 19, 1981, in the offices of the Public Service Commission at Frankfort, Kentucky. All parties of interest were allowed to be heard. There were no intervenors.

The Commission, after consideration of the application and all evidence of record, and being advised, is of the opinion and finds that:

- (1) The public convenience and necessity require that such construction and system improvements as are proposed in the application and record should be performed, and that a certificate of convenience and necessity should be granted; and
- (2) The proposed borrowing is for lawful objects within

the corporate purposes of West Kentucky, is necessary and appropriate for and consistent with the proper performance by West Kentucky of its service to the public and will not impair its ability to perform that service, is reasonably necessary and appropriate for such purpose, and should be approved.

IT IS THEREFORE ORDERED That West Kentucky Rural Telephone Cooperative Corporation, Inc., be and it hereby is granted a certificate of public convenience and necessity to proceed with the proposed construction as set forth in the application and record.

IT IS FURTHER ORDERED That West Kentucky be and it hereby is authorized to borrow \$3,121,000 from the United States of America, acting through the Administrator of the Rural Electrification Administration, to be amortized over a period of 35 years at an interest rate of 5 percent per annum, and to execute and deliver to REA the necessary notes therefor.

IT IS FURTHER ORDERED That the proceeds from the borrowing authorized herein shall be used only for the lawful purposes set out in the application and record.

Nothing herein shall be deemed a finding of value for any purpose nor construed as a warranty on the part of the Commonwealth of Kentucky or any agency thereof as to securities authorized herein.

Done at Frankfort, Kentucky, this 10th day of December,
1981.

PUBLIC SERVICE COMMISSION

Martin M. Vohs
Chairman

Katherine Randall
Vice Chairman

Jim Carrigan
Commissioner

ATTEST:

Secretary